

Message Text

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15

ACTION XMB-07

INFO OCT-01 NEA-14 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SP-03

CIEP-02 OMB-01 SS-20 NSC-07 SSO-00 NSCE-00 INRE-00

PRS-01 DRC-01 USIE-00 /113 W
----- 045459

O 161015Z JUN 74

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC IMMEDIATE 7258

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E.O. 11652: N/A

TAGS: EG

SUBJ: EXIMBANK FINANCING FOR CAIRO WEST

POWER STATION

REF: STATE 124256

1. SINCE KAISOUNI OF AIB WAS AWAY IN GERMANY FOR PAST SEVERAL DAYS AND DID NOT RETURN UNTIL LAST NIGHT, I COULD NOT CONTACT HIM UNTIL THIS MORNING TO TELL HIM ABOUT EXIM AUTHORIZATION TO ASSIST IN CAIRO WEST POWER STATION. WHEN DOING SO, I OUTLINED TERMS AS SET FORTH REFTEL AND TOLD KAISOUNI THAT, UNLESS EMBASSY OR HE PERCEIVES OBJECTION, A NEWS RELEASE INCLUDING DETAILS WILL BE ISSUED IN NEXT TWO WEEKS OR SO.

2. KAISOUNI TOLD ME THAT JUST PRIOR TO HIS DEPARTURE FOR GERMANY LAST WEDNESDAY, HE HAD RECEIVED A TELEX FROM EXIM VICE PRES ABOUT THE AUTHORIZATION. HOWEVER, THAT TELEX DID NOT SPECIFY DETAILS THAT I HAD GIVEN HIM. HE HAD SENT BRIEF TELEX OF THANKS SAME DAY.

3. WITH RESPECT TO THE TERMS, KAISOUNI NOTED THAT
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10 PERCENT DOWN PAYMENT IS USUAL. HE WAS DISTRESSED,

HOWEVER, TO HEAR THAT BALANCE OF 45 PERCENT (OR \$9 MILLION) WHICH IS TO BE EXTENDED BY A COMMERCIAL BANK WILL NOT BE GUARANTEED BY EXIM BANK. HE NOTED THAT EXIM'S USUAL PRACTICE IS TO GIVE THE GUARANTEE FOR THE REMAINING 45 PERCENT AS WELL, EVEN THOUGH FUNDS MUST BE OBTAINED AT COMMERCIAL RATE. HE RECALLED PAST EGYPTIAN TRANSACTION WITH EXIM, SPECIFICALLY LOCOMOTIVE PURCHASE, IN WHICH GUARANTEE HAD BEEN EXTENDED FOR THE BALANCE. HE ASKED ME TO REITERATE HIS THANKS, BUT ALSO ASKED THAT I PASS ON HIS APPEAL THAT EXIM PRES OR BOARD OF DIRECTORS RECONSIDER MATTER AND AGREE TO EXTEND THE GUARANTEE TO THE REMAINING 45 PERCENT.

4. PLEASE ADVISE WHETHER EXIM IS WILLING TO RECONSIDER SUBJECT AND ACCEED TO KAISOUNI'S REQUEST. UNTIL THIS MATTER IS SETTLED, WE BELIEVE NO NEWS RELEASE SHOULD BE MADE.
EILTS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ELECTRIC POWER PLANTS, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 16 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CAIRO04321
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740156-0784
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740641/aaaabivc.tel
Line Count: 79
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Reference: STATE 124256
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Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 13 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13-Aug-2002 by boyleja>; APPROVED <21 FEB 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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TAGS: EFIN, EG, XMB
To: STATE
Type: TE
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